

STATE OF SOUTH CAROLINA

(Caption of Case)
Effects from COVID-19
3rd Quarter 2020 Report

BEFORE THE
PUBLIC SERVICE COMMISSION
OF SOUTH CAROLINA

COVER SHEET

2020-106-A

DOCKET

NUMBER: 2020 - 372

Order

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SC PUBLIC SERVICE
COMMISSION

(Please type or print)

Submitted by: Lockhart Power Compay

SC Bar Number:

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Telephone: 864-545-2593

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Other:

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NOTE: The cover sheet and information contained herein neither replaces nor supplements the filing and service of pleadings or other papers as required by law. This form is required for use by the Public Service Commission of South Carolina for the purpose of docketing and must be filled out completely.

DOCKETING INFORMATION (Check all that apply)

☐ Emergency Relief demanded in petition ☐ Request for item to be placed on Commission's Agenda expeditiously

☐ Other:

INDUSTRY (Check one)	NATURE OF ACTION (Check all that apply)		
<input checked="" type="checkbox"/> Electric	<input type="checkbox"/> Affidavit	<input type="checkbox"/> Letter	<input type="checkbox"/> Request
<input type="checkbox"/> Electric/Gas	<input type="checkbox"/> Agreement	<input type="checkbox"/> Memorandum	<input type="checkbox"/> Request for Certification
<input type="checkbox"/> Electric/Telecommunications	<input type="checkbox"/> Answer	<input type="checkbox"/> Motion	<input type="checkbox"/> Request for Investigation
<input type="checkbox"/> Electric/Water	<input type="checkbox"/> Appellate Review	<input type="checkbox"/> Objection	<input type="checkbox"/> Resale Agreement
<input type="checkbox"/> Electric/Water/Telecom.	<input type="checkbox"/> Application	<input type="checkbox"/> Petition	<input type="checkbox"/> Resale Amendment
<input type="checkbox"/> Electric/Water/Sewer	<input type="checkbox"/> Brief	<input type="checkbox"/> Petition for Reconsideration	<input type="checkbox"/> Reservation Letter
<input type="checkbox"/> Gas	<input type="checkbox"/> Certificate	<input type="checkbox"/> Petition for Rulemaking	<input type="checkbox"/> Response
<input type="checkbox"/> Railroad	<input type="checkbox"/> Comments	<input type="checkbox"/> Petition for Rule to Show Cause	<input type="checkbox"/> Response to Discovery
<input type="checkbox"/> Sewer	<input type="checkbox"/> Complaint	<input type="checkbox"/> Petition to Intervene	<input type="checkbox"/> Return to Petition
<input type="checkbox"/> Telecommunications	<input type="checkbox"/> Consent Order	<input type="checkbox"/> Petition to Intervene Out of Time	<input type="checkbox"/> Stipulation
<input type="checkbox"/> Transportation	<input type="checkbox"/> Discovery	<input type="checkbox"/> Prefiled Testimony	<input type="checkbox"/> Subpoena
<input type="checkbox"/> Water	<input type="checkbox"/> Exhibit	<input type="checkbox"/> Promotion	<input type="checkbox"/> Tariff
<input type="checkbox"/> Water/Sewer	<input type="checkbox"/> Expedited Consideration	<input type="checkbox"/> Proposed Order	<input type="checkbox"/> Other:
<input type="checkbox"/> Administrative Matter	<input type="checkbox"/> Interconnection Agreement	<input type="checkbox"/> Protest	
<input type="checkbox"/> Other:	<input type="checkbox"/> Interconnection Amendment	<input type="checkbox"/> Publisher's Affidavit	
	<input type="checkbox"/> Late-Filed Exhibit	<input checked="" type="checkbox"/> Report	



September 30, 2020

Ms. Jocelyn Boyd
Chief Clerk/Executive Director
Public Service Commission of South Carolina
101 Executive Center Drive, Suite 101
Columbia, SC 29210

RE: Effects from COVID-19
Commission Order No. 2020-372
3rd Quarter 2020 Report

Dear Ms. Boyd:

Attached is the report required to be submitted under Commission Order Number 2020-372 tracking revenue impacts, incremental costs and savings related to the COVID-19 pandemic for Lockhart Power Company.

Sincerely,

A handwritten signature in blue ink that reads "Bryan D. Stone".

Bryan D. Stone
President



COVID-19 Report – 3rd Quarter 2020

Lockhart Power Company

ACTIONS TAKEN

In response to the State of Emergency declared in South Carolina for the COVID-19 pandemic, Lockhart Power Company (the “Company”) took the following actions:

- Closed the office lobby to customers beginning March 23, 2020, other than those who needed entry to apply for service. New applicants were asked to call the office and verify that they had the proper documentation with them before being allowed to enter the lobby. Customers were instructed to use the overnight payment drop box, mail their payments or use the online or payment by phone options while the lobby is closed. All third-party collection sites also have overnight payment drop boxes that could be used as well.
- Suspended all service disconnections as of March 16, 2020, so that customers had access to electric services.
- Suspended late fees on delinquent account balances as of March 16, 2020, to reduce the impact on customers who may be financial impacted by the pandemic.
- Restored service to the one customer who as of March 16, 2020, had been disconnected for non-payment prior to the issuance of the State of Emergency.
- Offered information regarding assistance organizations available to assist customers who are experiencing financial hardship. This information was also added to the Company’s website and social media platforms.
- The Company does not report customer delinquencies to credit agencies.
- The Company is offering extended payment plans to customers who are experiencing financial hardship. We have had a total of 36 customers who requested an extended payment plan. Currently, we have 25 customers who remain on an extended payment plan. Of the remaining 11 customers, 7 did not make their monthly payment as was agreed upon and did not attempt to make any additional arrangements. These customers have been disconnected for non-payment and have not made any attempt to have service restored. The remaining 4 customers paid their extended plans off early and are keeping their accounts current.



- The Company began an accelerated deposit refund program to customers for whom we were holding a deposit and the customers have been making timely payments for at least the last 12 months as a way to reduce their potential financial hardship. Other qualifying customers were offered the opportunity to have their deposit applied to their account balance immediately under the condition of them re-establishing their deposit balance via a six-month payment plan beginning in January 2021.
- On July 1, 2020, the Company returned to its normal collections processes which included charging late fees on past due balances as well as disconnecting customers for non-payment of their past due balances that were not previously included in a deferred payment plan. All customers were sent a letter in June 2020 advising them of this return to normal procedures by the Company where the customers were asked to contact us if it was going to be a financial hardship so that a payment plan could be arranged and they could avoid disconnection. Also, in addition to the normal termination and reminder notices being sent to the customers as required by the Regulations, the Company attempted to contact each customer who was set to be disconnected for non-payment the day before disconnection to give them one last opportunity to make the necessary payment or create a payment plan for their past due balance. Both the return to normal collections processes and the additional attempt to contact customers were discussed with and agreed upon by members of the Office of Regulatory Staff as being appropriate under the circumstances.

In addition to these actions, the Company monitors the guidance and directives from the Centers for Disease Control and Prevention ("CDC") and other government agencies and has asked employees to follow hygiene suggestions and travel notices released by the CDC.

The Company, including our business services group, has remained fully operational during the entire State of Emergency and our operators, maintenance crews and line crews continue to be available twenty-four hours a day, seven days a week to respond to emergencies that may arise.



FINANCIAL IMPACT

Financial impacts to Lockhart Power Company for the year to date are as follows:

Revenues:

Misc. Revenues – Late Fees	(\$ 3,373)	Late fee charges suspended
Misc. Revenues – Reconnection Fees	(30)	1 Customer reconnected
Customer Write-Offs	(15,027)	47 Customer accounts

Operating Expenses:

Supplies	(\$ 9,071)	Employee PPE & Supplies
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Net Financial Impact (\$27,501)

In addition to the impacts listed, there are other miscellaneous COVID-19 related expenses (such as personal vehicle mileage), as well as some reduced expenses (for example, less travel for training, conferences, etc.). While these are difficult to quantify with specificity, the net economic impact is estimated to be immaterial – likely in the range of several thousand dollars.

CHANGE IN ACCOUNTS RECEIVABLE

Typically, Lockhart Power would have minimal if any amounts age to over 60 days past due to the ability to disconnect a customer at that point for non-payment. However as of June 30, 2020, the Company had a balance \$66,321 in its account receivable total that is 61 days or older. As of September 25, 2020, the over 60 days past due balance is down to \$20,413 for a decrease of \$45,908. Of the \$45,908, the Company has collected \$30,881 from its customers and written off as bad debts the total of \$15,027 included in the Financial Impact section above.